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ABSTRACT

There are a number of constraints on administrative leadership in today's university. This paper argues that the decision-making theory of March, Simon, and Cyert gives the administrator a good framework for advancing the university toward meeting societal needs and demands, while allowing for faculty-student freedom and discretion. Some alternative theories are reviewed and corresponding advantages of the decision-making view are introduced. Decision theory contributions to our understanding of models of reality, conflict, and coalitions are discussed. The relationship between the business firm and the university is also considered along with some suggestions for practitioners that derive from the decision-making perspective. (Author/LBH)

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# Decision-Making Theory and University Advancement

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## Introduction

Today's university is in a serious predicament. On the one hand, it is generally understood that the destiny of the university must be purposefully determined if it is to establish that it is needed - yet on the other hand, as Gerald F. Else points out in "Some Ill-Tempered Reflections on the Present State of Higher Education," there is "Increasing uncertainty about the essential purpose of higher education."[1] Likewise, on the one hand it is generally understood that the university must exercise authority to respond to new and increasing societal needs and demands, and, moreover, that "Higher educational institutions cannot wait for the demand to manifest itself and then respond...," as Stephen R. Graubard tells us in "Thoughts on Purposes and Goals";[2] yet on the other hand, it is generally perceived that the authority to respond to those changing needs and demands is retarded by internal constraints on the decision-making process. Those constraints result from limited resources, from inconsistency in goals between faculty, students and administrators, and from the degree of faculty and student discretion. The constraints on the exercise of authority are so great that, as Charles Frankel points out in "Reflections on a worn-out model," there is even "... an indisposition to exercise authority and lead."[3]

How can we encompass the predicament the university is in

in ways that enhance purposeful and workable decisions - decisions that meet societal and internal needs? Use of relevant theory is one way. Relevant theory helps us see patterns within the university which contribute to the predicament, and it helps us pinpoint essential features we must consider in making decisions. We can then act systematically, defining problems and objectives to meet those problems. Moreover, in the case of our besieged university, relevant theory is theory which recognizes both the current conflict, inconsistency, uncertainty, and inertia that exists in the university, as well as the need to exercise authority. Further, relevant theory is theory which provides a framework for drawing inferences for practical decisions.

I will argue here that the "decision-making" or "organizational" theory as first defined by Herbert Simon in Administrative Behavior, then by Simon and James March in Organizations, and later by March and Richard M. Cyert in A Behaviorial Theory of the Firm, is relevant theory. Its usefulness goes beyond the "bureaucratic theory," the "scientific management theory," the human relations school, and the utilitarian precepts inferred from the concept of "economic man."

We learn from the decision-making theorists that organizations demonstrate "bounded rationality": the organization is limited by the unavoidable subjectivity of its members, and by limited ability to attend to all contigencies. Further, we learn that conflict and controls are reciprocal and that controls are variable.

prescriptions often found in other "theories" and schools of thought. So prescriptions would rely on our own inferences drawn from the reality that the decision-making theory provides. At the end of this paper I will provide a few such inferences, centering on how we can still act to advance the university toward meeting societal needs.

Principally, what I will do is explain the decision-making theory and show how that theory fits the reality of today's university.

I

In order to fully understand decision-making theory we must examine the theories that the decision-making theorists were reacting to: namely, the "scientific management" school represented by Frederick Taylor, the "bureaucracy" of Weber, the Human Relations school, and the utilitarian precepts involved in the concept of "economic man." We will find these other theories of limited use to our understanding of the university's current predicament, and we will see the genesis of the decision-making theory.

Taylor, offering advice designed to lower the unit cost of production, saw effective management as consisting of thirteen steps. These steps include (1) the distribution of "minute, specialized tasks, which taken together would get the job done,"[4] and (2) coordination or "ordering of these numerous small tasks to accomplish the entire job."[5] This approach led in practice to "rigid discipline on the job and concentration on the tasks performed...."[6] At best scientific management meant "the end of arbitrary power on the part of management: science would decide."[7] One problem of applying scientific management to the university is that scientific management assumes that the mission of the organization is certain. Further, scientific management is of limited use because it is obvious that the destiny of the university will not be determined simply by breaking the university into small tasks. It is also obvious that the university is not conducive to rigid internal discipline, and it is obvious that often conflict

within the university forestalls measured steps to an objective.

March and Simon point out that scientific management involves a limited perspective because in it "There is very little appreciation of the role of organizational behavior..., the constraints placed on the human being by his limitations as a complex information-processing system...[and the problem of] unanticipated consequences."[8] The recognition of the role of organizational behavior, cognition, organizational constraints on action, uncertainty, and conflict, makes the decision-making theorist's view of broader use to our understanding of the university's burden, as it attempts to respond to societal needs.

Weberianism, like Taylorism, entails the belief that management's use of rationality would determine the destiny of the organization. Weber believed that a "well run bureaucracy would become fairer, more impartial, and more predictable...than organizations subject to the caprice of powerful individuals."[9] Avoiding the caprice of powerful individuals is an important consideration: however, Weber's ideal organization would come through a division of labor, a well definde hierarchy, rules, regulations, and procedures. Although these practices may decrease capriciousness, the basic limitation in using scientific management applies to Weber's bureaucracy. That is, the destiny of the university cannot be determined by rules and regulations alone. Also, as we shall see later, in some areas in the university, the hierarchy and division of labor are not clearly defined. Furthermore, the relationship between the university bureaucracy and the university membership is often one of conflict.

March and Simon point out that although Weber goes beyond the "machine" model by analyzing in detail the "relation between an official and his office,"[10] Weber "... is not attentive to the character of the human organization,"[11] "Weber ignores important grounds for unanticipated consequences,"[12] Weberianism ignores, with Taylorism, the "wide range of roles which the participant simultaneously performs..."[13] and the associated problems with coordinating roles. These comments also relate to organizational conditions relevant to conditions in the university, and we will later see how March and Simon's reaction here is incorporated in their decision-making theory.

The Human Relations school, as represented by Hawthorne, Barnard, and others, responded to Weber's bureaucracy and to scientific management by underscoring the importance of the human element in our organizations: the "nonrational" behavior in organizations, including psychological and interpersonal factors. However, although individuals are "nonrational" under the Human Relations perspective, the organization is still seen as rational - and on the terms of management ("leaders"). Of the process variables that Human Relations people note, "cooperation" stands out. It is the lack of cooperation between rational leaders and nonrational labor that the Human Relations school wants leaders to eradicate. Organizations are seen as small groups which skillful leaders put together. Labor, organizing outside of the chain of command, is matched against the system. Management is part of the system.

On the surface the recognition of nonrationality may appear to reduce bureaucracy and scientific management's condescension toward labor; however, as many critiques have indicated, the Human Relations view still involves the assumption of the rational superiority of management. Needless to say, in the university it is not the administration's presumption of rational superiority that will place the administration in leadership.

When the Human Relations school talks of cooperation, it is a reminder of the passing collegial model of the university. The collegial model, like the Human Relations school, understates the enduring existence of conflict. We need a model that assumes that there will always be some conflict in the university. Only then could we realistically seek cooperation toward meeting societal needs.

March and Simon point out that within the Human Relations school "...human actors were endowed with feelings and motives, but relatively little attention was paid to their properties as adaptive, reasoning beings."[14] Indeed the university's administration, in seeking change, would be quite remiss in overlooking the "adaptive" and "reasoning" properties of students, faculty, and others.

Simon and March believe also that efforts at cooperation will never completely resolve conflict in the organization. Later we will see how they describe the role of conflict as a feature reciprocal with organizational controls, and how they describe the properties of human beings in the organization.

First, however, we need to look at the reaction of the decision theorists to the concept of "economic man." According to Donald Taylor in "Decision Making and Problem Solving," "Economic man" is presumed to have three properties. He is: (a) completely informed, (b) infinitely sensitive, (c) rational."[15] The incorrectness of this view in describing any organization is obvious. Hence Simon points out in Administrative Behavior that "Traditional economic man has little or no place in the theory of organizations."[16] March and Simon point out that the difficulty with the concept of economic man is that "It assumes (1) that all the alternatives of choice are "given"; (2) that all the consequences attached to each alternative are known...; (3) that the rational man has a complete utility-ordering (or cardinal function for all possible consequences)."[17] Likewise, Cyert and March put it this way: the assumption of rationality in the theory of the firm can be reduced to the proposition that firms operate with perfect knowledge - both assumptions, they argue, are wrong.[18] All the reactions against the concept of "economic man" noted here center on what actually happens in organizatins, and certainly these descriptions of what actually happens can be applied to the university. However, I think that attention should be given to Mouzelus's critique of this"reductionist treatment" of economic theory.[19]

According to Mouzelus, the decision theorists consider economic assumptions as "propositions about concrete reality" but "...in economics, such assumptions have mainly an analytic character."[20]

That is, they are not meant to constitute a realistic account of how an organization behaves, "but they are logical constructions which are used as means for generating inplications and explanations about broader market phenomenon."[21] My example, developed from Burns and Chiswick's "Analysis of the Effects of a Graduated Tuition Program at State Universities,"[22] is this. A university, in considering a tuition increase, can consider a number of helpful alternatives, employing assumptions involved in the concept of "economic man." For example, if the president wants solely to increase profit, he can consider the elasticity of the price increase: presumably the president would hope that it would be inelastic. That is, that there would not be a reduction in demand for the credits to the point of no actual additional profits. He would consider, for one thing, the competitiion with other colleges in his market. Further, he can profitably consider the impact of the decision on the characteristics of the student body: does the college plan to complement the decision with a corresponding grant to poor students? And what about the effect on academic quality? Of course, reasoning regarding price and demand entails assumptions entailed in the concept of "economic man": nevertheless, it is a useful analytical tool in university decision-making, as long as one recognizes that utilitarian precepts must be understood within the context of real organizational dynamics, and as long as we recognize that utilitarian precepts do not tell us what we should do.

In examining the reactions of the decision-making theorists to Weber's bureaucracy, Taylor's scientific management, the Human

relations school, and the utilitarian precepts involved in the concept of "economic man," we have already reviewed the fundamentals of decision-making theory. According to decision-making theory, these other theories (1) involve false assumptions about objective rationality, certainty, and consequences of choice, (2) entail a narrow view of human cognition, and (3) overlook the existence of conflict and organizational constraints. Decision-theory tells us that the organization demonstrates "bounded rationality": the organization is limited by the unavoidable subjectivity of its members, by uncertainty and conflict, and by limited ability to attend to all contingencies. We will learn from them later how conflict and controls are reciprocal, and how controls are variable. Their emphasis on the limits of the organization on the one hand, and the variability of controls on the other, both helps us understand the current predicament of the university as well as gives us assurance that the administration can still fulfill its responsibility to exercise authority and leadership needed to continuously direct the university toward meeting societal needs. We will see later that this can be done without destroying a place for faculty and student discretion.

II

To expand on certain features of the organization seen by the decision-making theorists, I will first discuss a basic problem in decision-making and introduce the decision-making concept of "simplified models" of reality. Then I will present the useful terminology they provide for talking about organizational behavior. Finally, before applying the decision-making understanding to areas of apparent differences between the university and the business firm, and before discussing some practical suggestions regarding administrative action, I will discuss the decision theorist's brilliant contribution regarding conflict, coalitions, and control.

An illustration from Feldman and Kanter in "Organizational Decision-Making" will show crucial limits on our decision-making capacity, and usher in the idea of "simplified models" of reality. According to Feldman and Kanter, "The decision problem is that of selecting a path which will achieve the most preferred terminal state."[23] However, "The only procedure which can guarantee that this 'best' path will be found is one which generates the entire decision three, i.e., all alternative paths and the consequences of each terminal state for all relevant goals..e.g., ticktacktoe."[24] But "For even moderately complex problems..., the entire decision tree cannot be generated."[25] Furthermore, "...the amount of search required exceeds the physical capacity of any available decision system, human or artificial."[26] This is a principal decision problem which March and Simon also discuss. It does not only involve the observation that people make mistakes, but that the process of

human choice is forever "bounded." It is bounded by virtue of a limited "decision tree" (i.e. Simon's "unanticipated consequences") and human rationality per se is "bounded." Choice is not objective but subjective. According to Simon,

> ...the notion of objective rationality assumes that there is some objective reality in which the 'real' utilities exist, [but what actually occurs is that] choice is always exercised with respect to a limited, approximate, simplified model of the real situation...[and the model of the situation is made up of] elements which are themselves the outcome of psychological and sociological processes, including the chooser's own activities and the activities of others in his environment.[27]

The empirical reality of divergent "simplified models" is explored in a study by Dearborn and Simon. In Dearborn and Simon's "Selective Perception: A note of the Department Identification of Executives" they test the proposition that "each executive will perceive those aspects of the situation that relate specifically to the activities and goals of his department."[28] Twenty-three executives were told to play the role of top executives and to discuss the major problems of the firm from a top executive's viewpoint. Five out of six sales executives singled out sales as the most important problem whereas only five out of seventeen other executives selected sales as the most important problem. Also, four out of five of the production people mentioned "clarify organizations" while only four out of eighteen other executives selected this as the most important problem seen. Although the instrument for classification of answers the authors got is unclear, and although the association between "clarify organization" and "production" is unclear, their results seem to

prove their intuitively plausible hypothesis.

An example of simplified models of reality in the university may be found in looking within the administration itself. I am referring to "administration" in this paper with the recognition that the administration is not the homogeneous body that many outsiders presume. The administration is not of one mind, subsumed under clear cut, unchanging, and common perceptions of organizational reality. The administration is at least differentiated by diverse simplified models of reality. Rourke and Brooks in The Management Revolution in Higher Education make reference to how the computer center's perception of what is important heavily affects preference orderings: decisions about which "agencies of the university would do their work slowly,"[29] for example. Also, Rourke and Brooks point out that "In one multi-campus university, a conflict between the centralized data-processing system and a local registrar" existed, based on the registrar's values regarding "the principle of centralized authority."[30] Here the factual premise of computer efficiency and the value premise of centralization informed the conflict. The dynamic impact of the department of institutional research, often understood in studies of the firm, has its counterpart in higher education: simply put, the department of institutional reseach has its own particular model of what the priorities of administration are and should be. There are numerous other examples, of course. Unfortunately, often negotiation with students and faculty results in those at the top of the administrative hierarchy simply imposing new premises without regard for the divergent models of reality within the administration.

March and Simon go on to outline some important concepts that relate to their view of the organization. As a result of individual and organizational constraints there is necessarily a limited search for alternatives. Rather than an optimal alternative we find satisfactory alternatives, i.e., we satisfice. Further, we cannot regard our standards as "given" by objective universal truths but "In making choices that meet satisfactory standards, the standards themselves are a part of the definition of the situation."[31] In certain circumstances the search and choice processes are abridged by prescribed performance programs, which specify either means or ends. According to Simon and March, "the further the program goes in the latter direction the more discretion it allows for the person implementing the program to supply means-ends connections."[32] They point out that traditional theories of rational behavior do not seem to leave much room for discretion at all (with decision-theorists there is slack that leaves room). This point about discretion is especially pertinent to the discretion that faculty and students enjoy in the university. It is generally thought desirable for faculty and students to have as much discretion as possible without destroying organizational goals. Decision-theory allows the administration to maintain and open areas of discretion without, as we shall see in the next section, sacrificing avenues for administrative control. Other concepts decision theorists employ include the observation that members of an organizatinal unit evalute action only in terms of subgoals (e.g. their models) "...even when they are in conflict with the goals of the larger organization."[33] This latter process is reinforced

by the individual's selective perception, the content of in-group communication, and the selective exposure to environmental stimuli (uncertainty absorption).[34] All this is effected by the division of labor in the organization and habitual repertories of action.[35] The division of labor, other structural features, and the goals of the institution are ways that management can control the premises of decisions by others in the organization. The above mentioned concepts provide us with a useful language for talking about and understanding certain features of organizations, the university not withstanding.

III

References have been made to the conflict between the goals of the organization and individual and subgroup goals. In Simon and March conflict arises as a natural consequence of their understanding of the basic features of organizational premises, and the characteristics of human problem-solving and rational choice. Recall that Taylor's scientific management and Weber's bureaucracy ignored conflict, and that the Human Relations school assumed that it could be annihilated. Because of March and Simon's more realistic assumptions about the organization and about man, we can expect only "quasi-resolution" of conflict. And so we should learn how it emerges.

How is conflict treated in March and Simon? After tracing conflict up from the individual's level, they talk about conflict in terms of its relationship with organizational controls, sources, and organizational reaction to conflict. Controls and coordination

exist side by side with, and to handle, conflict. The principal sources of conflict have to do with resource allocation, a notion particularly pertinent to higher education today, and scheduling. An organization reacts to conflict through problem-solving, persuasion, bargaining, and politics, which in terms of intergroup conflict center upon "probable and stable coalitions."[35] Later they point out that the major factors involving intergroup conflict are factors affecting the differentiation of goals, factors affecting the felt need for joint decision making, and factors affecting the diffentiation of individual perception. This last point is akin to the idea of "simplified models" of reality.

Mouzelus criticises March and Simon for jumping, in their analysis of conflict, "from the individual to the organizational level"[36] to explain conflict, and their use of "...exactly the same vocabulary in order to portray the whole organization as an equilibrium between the aggregate of contributions and inducements of all the participants."[37] Mouzelus points out that "from this perspective decision theory does not differ much from human relations theory. The same psychological and reductionist bias is evident in both of them."[38] This seems like a plausible critique. As Parrow says, "Theory should see conflict as an inevitable part of organizational life stemming from organizational characteristics rather than from the characteristics of individuals."[39]

Cyert and March start by viewing the organization as a coalition rather than from the point of the individual and interpersonal conflict. According to Cyert and March the organization "...is

a coalition of individuals, some of them organized into sub-coalitions."[40] Further, "Basic to the idea of a coalition is the expectation that the individual participants in the organization may have substantially different preference orderings (i.e. individual goals)...[and consequently] any theory of organizational goals must deal successfully with the obvious potential for internal goal conflict inherent in a coalition of diverse individuals and groups."[41] How does the organization deal with different preference orderings? Controls are needed: "The goals of a business firm are a series of more or less independent constraints imposed on the organization through the process of bargaining among potential coalition members...[and they] arise in such a firm because a firm is in fact a coalition of participants with desperate demands, changing foci of attention, and limited ability to attend to all organizational problems simultaneously."[42] However, "...because of the form of the goals and the way in which they are established, conflict is never fully resolved in the organization."[43] At most there is "quasi-resolution" of conflict.[44] With "quasi-resolution of conflict, how is the firm able to make decisions? The firm is able to make decisions with inconsistent goals because of the "decentralization of decision-making..., the sequential attention to goals, and the adjustment in organizatinal slack..."[45]

The decision theorists have presented us with an understanding of conflict, coalitions, controls and decision making all in the same breath. Of course this is because they are interrelated.

The university, as I have mentioned throughout this article, likewise has conflict, coalitions, and controls.

Conflict in the university manifests itself in the same basic ways revealed by the decision theorists: through interdependency, inconsistent goals, and often because of resource allocations. Faculty, students, and administrators are interdependent in several respects. For example, students depend on teachers to teach, and on administrators to charge feasible tuition and provide student services; administrators depend on faculty to make the "best" use of their time and faculty depend on administrators for financing. Inconsistent goals between faculty, students, and administrators abound - often centering on what the premises or structure of interdependency should be.

March and Simon hit on a predominant reason behind much of today's conflict in the university squarely in pointing out the centrality of resource allocation and scheduling. Blau points out the increasing degree to which "budgetary requirements conflict with optimum service to clients."[46] Intuitively, in talking about divergent perspectives regarding how money should be allocated, we are led to the recognition of power relationships. Selanik and Pfeffer in "The Bases and Use of Power in Organizational Decision Making: The Case of a University" find that "Subunit power accrues to those departments that are most instrumental in bringing in or providing resources which are highly valued by the total organization...";[47] and in Pfeffer and Salancik's "Organizational Decision Making as a Political Process: The Case

of a University Budget" they discuss the way in which "power, rather than what is optimal for achieving some organizational objective, becomes an important decision variable..."[48] they find that "Measures of departmental power in a university are found to be significantly related to the proportion of budget received."[49] Of course there are other resources (e.g. number of students enrolled) which also represent important decision variables.

The structural changes with respect to unionization are worth attention. Kemerer and Baldridge in Unions on Campus point out that "Collective bargaining assumes that there is conflict between employees...[and] that individual negotiations will be subsumed under group bargaining."[50] Since unionization assumes conflict, it formalizes an organizational reality.

Changing structural phenomena have suggested that the administration is not really in control of the university; however, as Allison points out in The Essence of Decision regarding the comparable decision-making that we find in the national government, "In spite of the limits on the leadership's ability to control changes in a particular organization's goal or SOP's many important issues of government action require that these leaders decide what organizations will play out which programs where."[51] Hence we have here an example of how March and Simon say managers can vary the premises of decisions.

Ability to affect goals, or premises, is a structural advantage administrators have. Shae and Fresch in Presidents Confront Reality present "considerable evidence that dispite the perception of

administration, power flows toward, not away from administrative groups."[52]

I have expanded on the organizations"bounded". rationality, discussing simplified models of reality, helpful organizational terminology, the role of conflict, the "quasi-resolution of conflict, the reality of divergent coalitions, and control and decision-making variables. Further I have demonstrated the relevancy of this decision making view to an understanding of the organizational realities of the university. Moreover, I have discussed how the administration ( particularly at the top, i.e., the president) can , in spite of the constraints, direct and advance the institution, with a means for having faculty and student discretion.

Before I move more directly into more specific ways the university can be directed, in all fairness I should speak to some apparent differences between the business firm and the organization. As I see it, these differences do not obviate, significantly, the usefulness of the decision-theory view.

IV

One area of apparent difference between the firm and the university involves the status given those peculiar groups we call faculty and students. Faculty, although employees of the the university, do not have an identical counterpart in the firm. There is a mystique of professionalism applied to faculty. For example, Blau states that "Bureaucratic authority [i.e. adminis-

trators] has its source in superior official position..." whereas "professional authority [i.e. academics] has its source in expert knowledge."[53] Although I think that it should be pointed out that administrators, to be effective, must have expertise, this does speak to a difference from the firm in terms of how these groups are perceived. Further, students represent a peculiar clientle. They are not employees at all yet they are considered members of the university, and students have the added distinction of planned extinction from membership (i.e. they receive a degree and their "membership," if we can realistically say that, changes in form). I do not see how the distinctiveness of faculty and students from the members of a firm obviates the usefulness of decision-theory in describing their roles.

We find that deans and department heads are often associated with both the administration as well as their respective academic areas, and this also may be considered an apparent difference (although not a real difference) from members of a business firm. One way decision-making theory is useful is considering this role dilemma is that decision-theory could point out how the two frameworks, or models, are necessarily in conflict. Rourke and Brooks discuss the demands that "...require the department to operate with uniform, programed criteria in admitting or rejecting students in their courses..."[54] and now those demands conflict with the demands regarding individual faculty or departmental judgements about "intangible" factors.

Another area of apparent difference between the business firm and the university organization centers around goals. Popularly, the goals of the firm are seen as more explicit (e.g. profit) in

contrast to the idea that the university's goals are more ambiguous. If there is a difference it is only a matter of degree, and hence it does not obviate the usefulness of the decision-making theory. We have seen that firms do not act in a way to maximize profit (Cyert) and that there are constraints and competing goals within the firm. Also, the university in several senses has "profit" as its goal (e.g. increased enrollment).

It seems to me that the distinction that is made between the "explicit" goals of the firm as opposed to the "ambiguous" goals of the university, can also be understood in terms of the degree of routine tasks (performance programs) as opposed to nonroutine tasks.

Allowing for the apparent differences cited in this section, I stand behind my advocacy for the decision-making view.

V

In the introduction to this article I described a serious predicament that the university is in. On the one hand the university is burdened with numerous internal constraints, yet on the other hand the university must respond to changing societal needs and demands. I have laid this responsibility on the administration, particularly at the top ( i.e. the president), and I believe I have shown, through the decision-making theory of March, Simon, and Cyert, that this can be done: the controls are available.

In this section I will offer more specific suggestions regarding how the administration can act to advance the university toward societal needs and demands. My suggestions involve the use

of a comprehensive model of reality, "unobtrusive controls," participation in decision-making, "repertoire overload," and purposeful leadership.

We have learned that there are diverse simplified models of reality in the university. The administration needs to continuously foster a comprehensive model of reality. Baldridge says in Power and Conflict in the University regarding New York University that "...administrative dominance [ was the result of] the wholistic perspective of the central administration as constrasted with the provincial viewpoints of the individual and school faculties."[55]

Another reason to foster a comprehensive model of the university is that it helps others in the university to see the interdependency that exists. Administrators should work toward trying to get other members of the university to share, or at least understand, the comprehensive view. Since other members are "reasoning and adaptive beings" administrators should not assume that administrators are the only ones who can attempt the comprehensive view.

We have learned that there is a reciprocal relationship between control and conflict. The administration needs to understand the impact of controls on conflict and use, when possible, the more "unobtrusive controls." I have borrowed this term from Cohen and March in Leadership and Ambiguity. They point out that a " central tactic in high-inertia systems is to use high-leverage minor actions to produce major effects - to let the system go where it wants to go with only minor interventions that make it go where it should go."[56] Granted the "major instruments of un-

obtrusive management are bureaucratic"[57] but an understanding of the dynamics of the organization that we have discussed in this paper puts the "tool" of bureaucracy in its proper perspective. We need not keep these controls secret - risking a lost of trust. But such things as "selected accounting rules," and "accounting facts with respect to student activities, faculty activities, and space," are effective premises, yet operate unobtrusively.[58]

Another thing that the administration can do is to "overload the system with repertories for decision-making."[59] This is another thing I have borrowed from Cohen and March. We have learned that there is, as Allison puts it, a "gap between what leaders choose and what leaders implement."[60] Cohen and March say that "... it is a mistake to become absolutely committed to any one project."[61] To do so would constitute a naive perception of organizational constraints. However, "Someone with the habit of producing many proposals, without absolute commitment to any one, may lose any one of them... but cannot be stopped on everything."[62] Thus "overloading the system" with a "repertoire of projects" will increase the chances of directing the university toward positive change.

Another thing the administration can do is to increase participation by faculty and students in the decision-making process. As Adam Yarmolinsky points out in "Institutional Paralysis," "...no one group in the university has all the factors necessary for institutional change."[63]

Polly, Taylor, and Thompson point out in "A Model for Horizonal Power Sharing and Participation in University Decision Making" that

participative managerial styles lead to increased supervisor effectiveness, teacher satisfaction, decreased student alienation, and improved student achievement."[64] These benefits add strength to the need for participation. Pollay, Taylor, and Thomson also point out that "One of the positive features of participatory decision-making (power sharing) is its ability to reduce complexity by synthesizing the contributions of individuals with various organizational perspectives."[65] Room for faculty and student discretion, discussed earlier, emerges: "Participation can be instrumental in democratizing a rigidly hierarchical organization and providing all levels of employees with some element of control over their own fates, especially when participation is used to establish goals."[66]

We need leadership in the university. This is fundamental. In some respects leadership is an art. However, we can speak more concretely about the prerequisites of leadership: negotiation skills, and purposefulness.

We have learned that there are coalitions within the university. Bargaining, therefore, is a constant phenomenon. Consequently, it is essential that negotiation skills be attained.

Although the purpose of the university is in many respects in doubt and dispute, especially as to what the university's role should be in serving societal needs, leadership requires acting with purpose. For example, unsettled purpose in the president's mind constitutes negligance regarding the values that are inextricably attached to decisions. People make decisions. As Simon says,

"...ethical propositions are not completely reducible to factual terms..."[67] So, for example, hiding behind the assumption that decisions are made for us by the economics of the situation, a popular cop-out today, constitutes negligence. As Charles Lindblom says in "The Science of 'Muddling Through'," "One chooses among values and among policies at one and the same time.[68]

I have attempted to explain the decision-making theory of Simon, March, and Cyert, and to apply their theory to an understanding of the university as an organization. Also, I have pointed out how, in spite of the constraints on the university, it can still advance to serve changing societal needs.

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[32]Ibid., p. 47.

[33]Ibid.

[34]Ibid. p. 153.

[35]Ibid. p. 155.

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